

HOME AND COMMUNITY-BASED SERVICES and
TEXAS HOME LIVING
DAY HABILITATION SERVICES
ATTENDANT COMPENSATION RATE ENHANCEMENT

ACCOUNTABILITY REPORT – MULTIPURPOSE (ARM)

2013– ARM Worksheet B and Instructions –

NOTE: This worksheet is provided for your own information and should be retained in your files for future reference.

Do not return.

For assistance with completing the accountability report, contact the Rate Analyst for this program. The contact information for the Rate Analyst can be found on the following webpage: <http://www.hhsc.state.tx.us/rad/long-term-svcs/contacts.shtml>

A project of
the Health and Human Services Commission

INSTRUCTIONS
HOME AND COMMUNITY-BASED SERVICES (HCS) and
TEXAS HOME LIVING (TxHmL)
DAY HABILITATION SERVICES
Attendant Compensation Rate Enhancement
ARM Worksheet B

PURPOSE

To inform providers about the HCS/TxHmL Day Habilitation Services spending requirements and potential differences between residential costs and residential revenues under the Attendant Compensation Rate Enhancement for their component code. The information derived by using the worksheets can be used by providers to see if their attendant compensation cost per unit of service is greater than or equal to the required 90% DADS attendant participating rate.

REPORTING PERIOD

The reporting period may be any period of time between January 1, 2012 and December 31, 2013, during which the provider was a participant in the Rate Enhancement. **The reporting period is specified in the Rate Analysis letter requesting the ARM and does not exceed 12 months.**

CONDITIONS OF PARTICIPATION FOR DAY HABILITATION

The following conditions of participation apply to each HCS and TxHmL provider specifying its wish to have day habilitation services participate in the Attendant Compensation Rate Enhancement.

Direct Care trainer compensation and hours must be reported on the required cost report items (e.g., hours, salaries and wages, payroll taxes, employee benefits/insurance/workers' compensation, contract labor costs, and personal vehicle mileage reimbursement). This requirement applies to providers who directly provide day habilitation "in-house", providers who contract with a related party to provide day habilitation and providers who contract with a non-related party to provide day habilitation. Day habilitation costs cannot be combined and reported in one cost report item.

The provider must ensure access to any and all records necessary to verify information submitted to HHSC on Attendant Compensation Reports and cost reports functioning as an Attendant Compensation Report. This requirement includes ensuring access to records held by the provider, a related-party day habilitation provider and a non-related party day habilitation provider.

Failure to comply with the reporting and access requirements detailed above will result in recoupment of all attendant compensation rate enhancement funds associated with the day habilitation service for the provider for the reporting period in question.

HHSC will require each HCS and TxHmL provider specifying its wish to have day habilitation services participate in the Attendant Compensation Rate Enhancement to certify during the enrollment process that it will comply with the requirements detailed above.

INCLUDE ALL HCS and TxHmL CONTRACTS IN YOUR COMPONENT CODE

A single HCS and TxHmL Day Habilitation Services Attendant Compensation Rate Enhancement Enrollment Worksheet should be completed for all HCS and TxHmL contracts operating under your component code. Costs and units of service for HCS and TxHmL contracts operating under the component code should be aggregated and reported on this single worksheet.

WORKSHEET FUNCTIONALITY

The enrollment worksheets are fully functional and if completed on-line will perform all required calculations for you. If you choose to print the worksheets and fill them out by hand, you will be responsible for the accuracy of all mathematical calculations.

DEFINITIONS

ATTENDANT – the unlicensed care giver providing direct assistance to consumers with Activities of Daily Living (ADLs) and Instrumental Activities of Daily Living (IADLs). Attendants for day habilitation include direct care trainers and day habilitation drivers in the HCS and TxHmL programs.

The attendant may not perform any nonattendant functions.

Attendants do not include the director, administrator, assistant director, assistant administrator, clerical and secretarial staff, professional staff, other administrative staff, licensed staff, attendant supervisors, cooks and kitchen staff, maintenance and grounds keeping staff, activity director, Qualified Mental Retardation Professionals (QMRPs), assistant QMRPs, direct care worker supervisors, direct care trainer supervisors, job coach supervisors, foster care providers, and laundry and housekeeping staff.

ATTENDANT CONTRACT LABOR – non-staff attendants. Non-staff refers to personnel who provide services to the day habilitation center intermittently, whose remuneration (i.e., fee or compensation) is not subject to employer payroll tax contributions and who perform tasks routinely performed by employees.

COMPENSATION –Attendant compensation is the allowable compensation for attendants defined in 1 TAC §355.103(b)(1), §355.112 and §355.722 and required to be reported as either salaries and/or wages, including payroll taxes and workers' compensation, or employee benefits. Benefits required by §355.103(b)(1)(A)(iii) to be reported as costs applicable to specific cost report line items are not considered attendant compensation. Examples of such costs are the provider's unrecovered cost of meals provided to attendants; the provider's unrecovered cost of uniforms provided to attendants and employee relations expenses such as gift cards given to employees, and the cost of employee parties, plaques, etc.

Allowable contract labor costs are defined in 1 TAC §355.103(b)(2)(C).

Mileage reimbursement paid to the attendant for use of his or her personal vehicle which is not subject to payroll taxes is considered compensation for purposes of the Attendant Compensation Rate Enhancement.

WORKSHEET B

NOTE: Round all monetary amounts in Step 1 to the nearest whole dollar (with no zeros included for “cents”). For example, \$25.49 should be rounded to \$25 and \$25.50 should be rounded to \$26.

If day habilitation services are provided by a related-party contractor or non-related-party contractors, the terms “provider” and “employer” as used for Boxes A through J below, refer to the day habilitation contractor.

STEP 1 – Enter required data.

Units of service are the units of HCS/TxHmL service provided during the reporting period, not the units of day habilitation provided.

See the Reporting Period section for information on selecting a reporting period.

Box A – Day Habilitation Attendant Salaries and Wages (including drivers): report accrued salaries and wages for day habilitation attendants and drivers employed by the provider and for whom FICA contributions are made. Salaries and wages include overtime, cash bonuses and cash incentives paid from which taxes are deducted. Drivers and staff members functioning in more than one capacity are not considered attendants for HCS and TxHmL day habilitation attendant compensation rate enhancement purposes and their salaries and wages should **not** be included on this worksheet. See Definitions section for more information on who qualifies as an attendant. *Sum salaries/wages from ARM report items 74 and 78. Enter result in Box A*

Box B – FICA and Medicare: report employer-paid FICA and Medicare taxes for day habilitation attendants and drivers. FICA and Medicare taxes may be allocated based upon percentage of eligible salaries. *From ARM report item 81.*

Box C – State and Federal Unemployment: report both federal (FUTA) and state (TUCA) employer-paid day habilitation attendant and driver unemployment expenses. Unemployment expenses may be allocated based upon percentage of eligible salaries. *From ARM report item 83.*

Box D – Workers’ Compensation Insurance Premiums: report premiums for workers’ compensation insurance, industrial accident policies and other similar types of coverage for employee on-the-job injuries for day habilitation attendants and drivers. Workers’ compensation premiums may be allocated based upon percentage of eligible salaries. *Partial entry from ARM report item 86.*

Box E – Workers’ Compensation Paid Claims: report medical claims paid for employee on-the-job injuries for day habilitation attendants and drivers. Paid claims may be allocated based upon percentage of eligible salaries or direct costed. *Partial entry from ARM report item 86.*

Box F – Employee Health Insurance: report employer-paid health insurance for day habilitation attendants and drivers. **Employer-paid health insurance premiums must be direct costed.** Paid claims may be allocated based on percentage of eligible salaries or direct costed. *Partial entry from ARM report item 86.*

Box G – Employee Life Insurance: report any employer-paid life insurance for day habilitation attendants and drivers. **Employer-paid life insurance costs must be direct costed.** *Partial entry from ARM report item 86.*

Box H – Other Employee Benefits: report any employer-paid disability insurance and retirement contributions for day habilitation attendants and drivers. **These benefits must be direct costed.** The contracted provider's unrecovered cost of meals and room and board furnished to direct care employees, uniforms, job-related training reimbursements and job certification renewal fees are **not** to be reported as Other Employee Benefits. *Partial entry from ARM report item 86.*

Box I – Mileage Reimbursement: report the mileage reimbursement paid to a day habilitation attendant for use of his/her personal vehicle which is not subject to payroll taxes. The current maximum allowable mileage reimbursement is 55.5 cents per mile.

Box J – Contract Direct Care Trainer Driver: report the total costs for contract labor functioning as day habilitation attendants. See the Definitions section for a definition of reportable contract labor. *From ARM report item 80.*

Box K – Total Day Habilitation Attendant Cost – sum boxes A through J.

Box L – HCS LON1 Day Habilitation Units of Service: report the total number of day habilitation units during the reporting period for HCS LON1 consumers receiving day habilitation services.

Box M – HCS LON5 Day Habilitation Units of Service: report the total number of day habilitation units during the reporting period for HCS LON5 consumers receiving day habilitation services.

Box N – HCS LON8 Day Habilitation Units of Service: report the total number of day habilitation units during the reporting period for HCS LON8 consumers receiving day habilitation services.

Box O – HCS LON6 Day Habilitation Units of Service: report the total number of day habilitation units during the reporting period for HCS LON6 consumers receiving day habilitation services.

Box P – HCS LON9 Day Habilitation Units of Service: report the total number of day habilitation units during the reporting period for HCS LON9 consumers receiving day habilitation services.

Box Q – TxHmL Day Habilitation Units of Service: report the total number of day habilitation units during the reporting period for TxHmL consumers receiving day habilitation services.

Box R – Private and Other Day Habilitation Units of Service: report the total number of day habilitation units during the reporting period for all other consumers of any of the contracts included under the component code for which this worksheet is being completed (e.g., private pay individuals, individuals receiving respite care and individuals with private insurance). Include here any units of service you provided for which you may never be reimbursed (i.e., non-billable units).

Box S – Total Units of Service: sum boxes L through R.

NOTE: All monetary calculations in Steps 2 – 6 should be carried out to **two decimal places**. If you complete the spreadsheets on your computer rather than on printed sheets, many of these calculations will occur automatically after you enter values.

STEP 2 – Calculate average day habilitation attendant cost per unit of service.

Divide total day habilitation attendant costs from Box K by total units of service from Box S. Enter the result in Box T. This is your estimated day habilitation attendant cost per unit of service during the reporting period.

For Steps 3-4, refer to the HCS and TxHmL Day Habilitation Attendant Compensation Payment Rate Component rates effective 9/1/11, included on page 5 of Worksheet B to obtain the day habilitation attendant rates for each level of participation in the Attendant Compensation Rate Enhancement for the rate period.

STEP 3 – Calculate the estimated average day habilitation attendant rate component for your component code at the assigned Level for its day habilitation services occurring in the reporting period between January 1, 2012 through August 31, 2013.

- 3a. For each program and LON, enter in Column A the day habilitation units of service provided in the reporting period between **January 1, 2012** through **August 31, 2013**. Do not include “Private and Other” units of service.
- 3b. For each program and LON, multiply the units of service from Column A by the associated day habilitation Medicaid attendant rate component in effect from 9/1/11- (see Page 5 of your worksheets) for your assigned level from Column B. Enter the products in Column C.
- 3c. Sum the units of service in Column A. Enter the result in Box U.
- 3d. Sum the contents of Column C. Enter the result in Box V.

STEP 4 - Calculate the estimated Medicaid day habilitation attendant compensation rate component revenue for your component code at the assigned level for its day habilitation services occurring in the reporting period between September 1, 2013 and December 31, 2013.

- 4a. For each program and LON, enter in Column A the day habilitation units of service provided in the reporting period between **September 1, 2013** and **December 31, 2013**. Do not include “Private and Other” units of service.
- 4b. For each program and LON, multiply the units of service from Column A by the associated day habilitation Medicaid attendant rate component in effect from 9/1/11 (see Page 5 of your worksheets) from Column B. Enter the products in Column C.
- 4c. Sum the units of service in Column A. Enter the result in Box X.
- 4d. Sum the contents of Column C. Enter the result in Box Y.

STEP 5 – Determine your weighted average day habilitation attendant rate component per unit of service.

- 5a. Calculate the total Medicaid day habilitation attendant compensation revenue by summing Boxes V (page 2) and Y (page 3). Enter the sum in Box Z.
- 5b. Calculate the total Medicaid day habilitation units of service by summing Boxes U (page 2) and X (page 3). Enter the sum in box A1.
- 5c. Calculate the estimated weighted average day habilitation attendant compensation rate component per unit of service by dividing Box Z by Box A1. Enter the result in Box B1.

STEP 6 – Determine your day habilitation attendant spending requirement for your component code’s assigned Level.

- 6a. Enter in Column A, your estimated weighted average Medicaid day habilitation attendant rate component per unit of service from Box AB, Step 5.
- 6b. Multiply Column A by 0.90 and enter the result in Column B.
- 6c. Enter in Column C, your current day habilitation attendant cost per unit of service from Box T, Step 2.
- 6d. Subtract Column C from Column B. If the result is less than zero, set the result equal to zero. Enter the result in Column D.
- 6e. Understanding Column D. If the figure in Column D is zero, then it is estimated that you have met your spending requirements and will not have a recoupment due. This may change based on an audit of the ARM report or may be inaccurate if you have entered information into the spreadsheet incorrectly.

If the figure in Column D is greater than zero, then it is estimated that you have not met your spending requirement and there will be a recoupment due. This may change and become a greater or lesser figure based on an audit of the ARM report or may be inaccurate if you have entered information into the spreadsheet incorrectly.

STEP 7 – Check all calculations to insure accuracy.